

No. 1285

11 October 2002

STRATEGIC INDUSTRIAL PROJECT (SIP)

I, Alexander Erwin, Minister of Trade and Industry, by virtue of power vested in me, in terms of section 12G(16)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (hereinafter referred to as the Act) and the Regulations promulgated in the Government Gazette No. 22848 of 21 November 2001, hereby publish particulars of an application received for approval as a Strategic Industrial Project.

1. PARTICULARS OF APPLICANT

1.1 Name of applicant: Umkomaas Lignin (Pty) Ltd

1.2 Ligno Tech South Africa is a new project for Umkomaas Lignin (Pty) Ltd to manufacture biostimulants, agglomeration aid and oil well cement retarder, with a total investment of R303 682 628,00. The value of qualifying industrial assets is R303 682 628,00. The project is classifiable under SIC code 3341 and HSC 3804.

1.3 Description and costs of qualifying industrial assets:

Assets	Date of bringing assets into use	Value of qualifying assets (R)
Plant and machinery:	01 April 2003	303 682 628
Totals		303 682 628

1.4 Date of approval: 11 September 2002.

1.5 Envisaged date of commercial production: 01 April 2003.

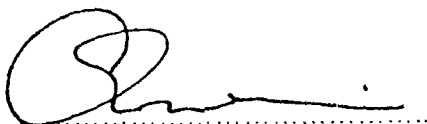
1.6 Specified period: 01 April 2003 to 01 April 2007.

- 1.7 Umkomaas Lignin (Pty) Ltd was awarded 5 points and afforded a qualifying status. The approved amount of additional industrial investment allowance in respect of industrial assets to be used for Umkomaas Lignin (Pty) Ltd is R151 841 314 (one hundred and fifty one million, eight hundred and forty one thousands, three hundred and fourteen rands), 50% of R303 682 628 (three hundred and three million, six hundred and eighty two thousands, six hundred and twenty eight rands), the cost of qualifying industrial assets.
- 1.8 The potential national revenue to be forgone by virtue of deduction of the approved allowance for Umkomaas Lignin (Pty) Ltd will be R45 552 394,20.
- 1.9 Umkomaas Lignin (Pty) Ltd is expected to create 87 direct and 380 indirect jobs before the end of its specified period.

2. ENQUIRIES RELATING TO THIS PUBLICATION SHOULD BE MADE TO:

The Secretariat: SIP
Department of Trade and Industry
Private Bag X84
PRETORIA
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For attention: Ms Francisca Strauss
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ALEXANDER ERWIN, MP
MINISTER: DEPARTMENT OF TRADE AND INDUSTRY